

Preparing Proposals and Responses to Solicitations

Joint Program Executive Office for Chemical and Biological Defense

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DoD Acquisition - Changes in Emphasis

- Many new systems
 Fewer new systems
 - Modified legacy systems
- Service specific
 Joint
- Nuclear
 Slobal War on Terrorism
- Technology driven
 Affordability driven
- Military unique technology
 Commercial and dual-use



Overarching Acquisition Themes

- Evolutionary Acquisition Strategies
 - Incremental Development
 - Spiral Development
- Performance—based Contracting
 - Contract Incentives
 - Past Performance
 - Competition
 - Commercial Technology / Items
- Business Case Analysis



Evolutionary Acquisition

- Evolutionary Acquisition
 - Fielding capability in increments or blocks
 - Militarily useful and supportable operational capability
 - Each increment has user set thresholds and objectives
 - First increment less than desired final capability
 - Iterative with continuous feedback and interaction among:
 - User, tester and developer
- Incremental Development
 - Desired capability identified
 - End state requirements known
 - Requirement met over time based on technology maturity
- Spiral Development
 - Desired capability identified
 - End state requirements unknown
 - Refinement of requirements



Performance-based Contracting

Structuring all aspects of an acquisition around the outcomes or purpose of the work desired as opposed to either the manner by which the work is to be performed or broad and imprecise statements of work

- Critical elements of effective Performance—based contracting:
 - A well defined and clearly written statement of work / objectives
 - Achievable performance standards
 - Performance standards for each measurable service
 - **Defined acceptable quality levels**
 - **Methods of surveillance**
 - Percentage of the contract price each service represents
 - Basis of payment for acceptable and non-acceptable performance and quality
- Assurance surveillance plan
- **Earned Value Management Systems**



Monetary or Non-Monetary Incentives

- Contract length considerations
 - (options and award term)
- Strategic supplier alliances
- Performance-based payments
- Performance incentive bonus
- Schedule incentives
- Agency "supplier of the year" award programs
- Competitive considerations
- Nonperformance remedies
- Value engineering change provisions
- Share-in-savings strategies
- Letters of commendation
- Past performance evaluation

Motivators embodied in or arising from the terms and conditions of the contract that influence the behavior of the buyer and seller toward accomplishing desired contractual outcomes



Commercial Technology / Items

Rapidly bring increases of militarily significant capability to the Warfighter

- Leverage private sector technology investments
- Reduce cycle time
- Faster insertion of new technologies
- Lower life cycle costs
- Achieve improved reliability and availability, and support from a robust industrial base
- Flexibility of Federal Acquisition Regulation Part 12
 - Broad definition of commercial
 - Commercial Terms and Conditions
 - Firm Fixed Price



Business Case Analysis

- Extended Cost / Benefit Decision Support Tool
 - Business consequences of course(s) of action
 - Likely financial and non-financial results
 - Quantified costs and benefits and subjective factors
 - Cash flow over time
 - Risk and sensitivity analysis
 - Methods, rationale, assumptions, and case boundaries
 - Optimal solution given constraints
 - Considers strategic objectives and performance measures
 - Impact on stakeholders

Related terms: "economic analysis; cost / benefit analysis; cost of ownership analysis; analysis of alternatives; feasibility study; staff study"

